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The PACE STUDENT

Vol. IV

New York, December, 1918

No. 1

A CHRISTMAS THOUGHT



ANOTHER Christmas draws near—the season when the divinity within us purges our minds of selfish schemes and our hearts of sordid desires and purposes. It is the season when we gain a new perspective of the values of things—the things that are fugitive, and the things that are abiding. It is the season when personal disappointment and bitterness yield to the magic of friendly handclasps and welcoming smiles.

The year that is closing has sadly viewed the tragic spectacle of world-girdling conflict. Many of the fairest parts of the earth have been wantonly devastated. Instruments of destruction have engrossed the chief attention of nations. Treasures and resources without stint or limit have been expended for the purposes of war. Human blood has soaked and crimsoned many a mountain, valley, and plain. It has been a year of sacrifice and sorrow, and stern trial and tribulation.

But out of all this desolation and tragedy, a new era is dawning. The horrid forces of might have crumbled before the avenging onslaughts of right and justice. Liberty of thought and freedom of action—for men and women and for nations, both great and small—have been enthroned upon the highest pedestals that human vision can establish. Therefore, at this Christmas-tide, in the year of our Lord Nineteen Hundred and Eighteen, The Pace Student sounds for you, its readers, the note of cheery optimism, for peace has come, and "All's right with the world."

**Disabled
Soldiers
and
Sailors**

ENGLAND is now making extensive plans to take care of her soldiers and sailors disabled in the war. The British Government is arranging with the School of Economics of the University of London to offer to disabled officers an extensive course in business administration and accountancy. The course will cover business organization and administration, accounting, commercial geography and commerce, and business law.

A determined effort is being made by the British Government to train those of her soldiers and sailors who will return to civil life after the war so that they will be fitted to play their part in industrial and commercial life. Far-sighted British statesmen realize that the great London business houses will welcome the opportunity to secure, as executive officers, men who have been trained in this comprehensive business course.

**Helping
War
Veterans**

THE Federal Government is now making plans to offer free vocational education to disabled soldiers and sailors. The idea is to equip these men for the vocations for which, after tests, they may prove to be best fitted, in order that they may fit effectively into the life of the community. Offices are now open in the chief cities of the United States to receive the applications of disabled fighters.

Trained vocational advisers are to be stationed at these offices to advise the men. All disabled soldiers and sailors who take advantage of this training will be paid by the Government while they are studying, and employment will be obtained for them when they complete their school work. In addition, funds with which to pay school fees will be provided them. Allowances will also be granted the dependents of these soldier-students during the time of the training period.

The Federal Board for Vocational Education in announcing this plan states: "The worst mistake a disabled man can make is to drift into a low-grade, unskilled occupation. Without any training, he must compete with the normal man in a line of work where brute strength and physical fitness alone count, and there can be no doubt as to the outcome when work becomes slack.

"The temptation to take low-grade, unskilled jobs is very strong while war-prices prevail, especially as the pay is higher because of a lack of help, and the quality of work is not looked at too closely; but jobs commanding war-prices and employing large numbers of partially skilled or unskilled hands are not always going

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to exist. They are soon going to shrink to normal conditions. What then? The answer is, unfortunately, very simple. The law of

supply and demand is not going to stop working because there have been some men who have been soldiers, and who incurred disabilities in defense of the Country. If there is paying work for only so many hands, the supply of the hands must be cut down. When this happens, the man who can not turn out as much, or as good, work as a sound man is going to lose his job, because of his deficiency, and the sound man is going to keep his job. That means the disabled man will be out of a job, and will drift about from one temporary employment to the other, meeting rebuff after rebuff and becoming of less value as time goes on."

NOT long ago an executive took to the general manager a chart on certain of the phases of the business. The general manager examined the chart, and asked the executive what he proposed to do with it. The executive responded that he expected to use the chart for publication purposes—partially, at least, as a basis for an advertisement that was expected to be productive of many sales.

Then the general manager pointed out a very salient principle in the preparation of charts. "You and I," he said, "thoroughly understand this chart. As a graphic presentation of what you and I understand, it is an ingenious chart; but your chart fails to take into consideration the habits of mind of the public. It is an unusual chart. People would have to study its mechanism if they were to understand the facts that it is intended to display. In drafting a chart for publication, you must always bear in mind that it must be along lines to which the public is accustomed. Otherwise, it will fail of its purpose."

The problem, in other words, is precisely the same as the distinction between the account form and the running form of statements. The technician can better grasp the facts in the account form; the layman can better grasp the facts in the running form. Admittedly the account form permits of seeing relationships between items, and of giving a much quicker grasp of essentials to the technician. At the same time, these relationships are beyond the understanding of the layman; he looks for other features in the statement, which he can more readily secure from the running form. In charts, as in statements, the mechanism of expression must be suited to the habits of mind of those to whom the facts are to be presented.

**Charts
and
Habits**

Biographical Snap Shots

Men Who Have Made Good



Where you will—into practically any sizable city in the country, and into any industrial center—and you are likely to find several Pace graduates making names for themselves as accountants or executives. Suppose you go to Detroit first; there you will find dozens of Pace-trained men, practically all of them making good.

C. Earle Neff, C.P.A., is one of them. He is the head of the Accountancy firm of C. E. Neff & Company, an organization which, though not very old, is growing rapidly because of the favor it is finding with Detroit industrial and commercial concerns. Mr. Neff is also accountant-in-charge of the Cost Accounting Section, Ordnance Division, War Department.

Mr. Neff was born in 1884, at Defiance, Ohio. He graduated from the Toledo High School and later from the Davis Business College. Some years later he graduated from the Detroit Technical Institute (Pace Courses), and in 1914 he received the degree of C.P.A. from the state of Michigan.

For some time after graduating from business college, Mr. Neff was in the employ of the Toledo Gas Light and Coke Company, as assistant bookkeeper. Then he made a connection with Armour & Company, first as branch-office cashier, and later as traveling auditor. His next position was with the Security Trust Company, Detroit, in the public accounting department. After five years with this Company (1910-1915), he entered the public practice of accounting on his own account; and at the present time he maintains three offices—one in Detroit, one in Toledo, and one in New York City.

An analysis of the reasons why Mr. Neff has rapidly achieved success reveals the presence of the usual ingredients that go into the recipe—pluck and determination to get ahead, technical training, initiative in starting his own business, and faith in his ability to attain success.



ARTHUR GRAN is another Pace student who has made good in business at a relatively early age. Mr. Gran's success is all the more interesting because he was born and, to a large extent, educated in Norway, which means, of course, that one of the first things he had to do on coming to America was to learn English, and grasp the American view-point toward business. That he did these important things extra well is evidenced by the fact that he is now auditor of the American Colortype Company, and also a valued member of the faculty of Pace Institute.

Mr. Gran was born in Horten, Norway, in 1887. He spent six years at the high school in Lillehammer, Norway; and after graduation, he spent one year in the Tekniske Laereanstalt, at Trondhjem, Norway. He also took a commercial course at Otto Treider's Commercial School, at Christiania, Norway.

After arriving in America, when a mere youth, he held various clerical positions till September, 1906, when he made a connection with the Rebman Company, publishers of medical books, New York, with whom he remained as accountant, and later as treasurer, till 1913.

About this time Mr. Gran began the Pace Course in Accountancy and Business Administration, at Pace Institute, New York, receiving his certificate of graduation in 1916. In the meantime, Mr. Gran had joined the staff of the American Colortype Company. For four years, from 1913 till 1917, he acted as assistant auditor, and on October 1, 1917, he was appointed auditor, the important position which he still holds.

Mr. Gran has won his spurs as an executive accountant, and his success has been due to a rare combination of native ability, proper technical training, and engaging personality.



HAT technical training in Accountancy and Business Administration has a high market value is proved by the business career of Pitt W. Danforth, C.P.A. (Mass.), a graduate of Pace Institute, Boston.

Mr. Danforth was born thirty-five years ago, in Freedom, N. H. His parents moving to Melrose, Mass., he was educated there, graduating from the Melrose High School in 1900.

Then, instead of entering college, he desired to go to work. His first position was with James A. Davis & Company, cement dealers, Boston. A few months later, he entered the employ of Towle & Fitzgerald, stock brokers, and from there he went to Heywood Brothers & Wakefield Company, furniture dealers, where he remained a year. From 1901 till 1904, he was in the employ of The New England Telephone and Telegraph Company. Then he became connected with the Boston Library Bureau, where his work covered selling, accounting, manufacturing, buying, and advertising; he remained with the Library Bureau for nine years, from 1905 till 1914.

From 1914 till 1916, Mr. Danforth was a senior member of the accounting staff of C. H. Scovell & Company. Then he became associated with the Packard Motor Car Company, of Boston, and he is now treasurer and assistant general manager of that well-known organization.

Mr. Danforth, after completing the Pace Course, at Pace Institute, Boston, took the Massachusetts C.P.A. examinations and passed them, receiving his professional degree three years ago. Mr. Danforth is a member of the Society of Certified Public Accountants of Massachusetts, Inc., and of the American Institute of Accountants.

The above is simply an outline of the outstanding facts in Mr. Danforth's business growth and development. Sometimes, though, bare facts tell a more vivid story than do embellishing comment—an observation that holds true of Mr. Danforth.



OUR practical man has a great liking for that word "facts." "Opinions" and "conclusions," to him, are secondary to the facts. Perhaps you will find that he likes to express the opinions and reach the conclusions himself. But with all of his likings for facts, it must be said that, from a legal angle, a so-called "fact" may be very nebulous.

Take, for example, the so-called facts in a legal case. A witness will enter the lawyer's office and make statements which are presumably statements of fact. Another witness will make a statement. Both are concerning the same incident or the same happening. The chances are that if you multiply the number of witnesses, the greater the variety of so-called facts relating to the same incident. Some of these statements may be absurdly inconsistent; yet the lawyer may be convinced that each of his witnesses is truthful. Moreover, if the witnesses are questioned, each will be convinced that his version is absolutely correct and that the other versions are positively erroneous. A fact, to be sure, is always a fact, but the "findings of fact," so attractive to your practical man, may have wide variations.

When the facts become subject to principles of law, then the difficulties increase. A lawyer defends an alleged criminal. People say that he knows the facts, and knows that the criminal is guilty. In truth, the facts are not legally determined until they are found by the jury. Moreover, the guilt or innocence of the individual is not determined, from a legal standpoint, until there has been a final finding in the courts.

Quite often the average man confuses a conclusion with a fact. As a typical example, a man staggers down the street; another man approaches him to assist him; the Samaritan detects the odor of liquor on the staggering man; at this time he might say, "It is a fact that that man is drunk"—this is a conclusion, not a fact. It is quite possible that the staggering man may have suffered from a physical ailment which caused the staggering, and may have taken some liquor in the hope that it would relieve him. Accordingly, the conclusion not only falls short of being a fact, but also falls short of being a correct conclusion.

Only attorneys who have had experience in court can appreciate the extreme difficulty of always detecting conclusions as distinguished from facts. The rule is that a witness can not state a conclusion, but must confine himself to

facts. On the point of whether a given part of evidence was a statement of conclusion or a statement evidentiary of fact, there have been

many legal controversies.

Moreover, in reaching a conclusion, it is not only important to determine the truth of such facts as may be presented, but also whether all the facts have been presented. At many of the railroad crossings, the traveler encounters the familiar sign, "Stop, look, and listen." Is it to be assumed that a person undertaking to cross the railroad who does not stop, look, and listen is, under all circumstances, negligent? Courts have, in many of the cases, ruled the contrary. There may be a sharp bend in the road, it may be a foggy morning, and even if the person did look, the danger would not be averted. As to listening, the circumstances may clearly show that there were any number of bells ringing in the neighborhood, or loud noises, so that had the person listened he would not have heard the bell or the whistle of a locomotive. Accordingly, the conclusion can not be reached, without a knowledge of all of the facts, as to whether a failure to stop, look, and listen constitutes negligence.

The danger of jumping to a conclusion is that it may cause a person innocently to distort facts. This is evident from even the slightest consideration of a principle of psychology. Let me illustrate this principle, not by a conclusion, but by a fact which would necessarily flow from a fact. The lawyer asked the witness as to whether or not the will to be proved was sealed with sealing-wax. The witness replied that it was, and that the sealing-wax was red. By a clever line of questioning, the witness was drawn into making the statements that he had secured a box of matches, a candle, and some wax; that he had taken these to the testator; that he had melted the wax and let it fall upon the paper; and that the testator had impressed his signet ring into the wax. For purposes of strategy, the lawyer went into extreme detail on all of these points. When the witness had about concluded, the lawyer calmly displayed the will to the jury, and it was sealed with a blue piece of paper. Thus it was that having once committed the witness to the statement that the will had been sealed with wax, the lawyer drew him into the erroneous statements of fact concerning all the implements used, and the ways in which the wax had been used, presumably to affix the seal. It is so with a conclusion. A man may jump to a hasty conclusion, and unconsciously create or distort facts to fit the conclusion that he has reached. First, there

Law Department
(Continued)

is the necessity of distinguishing between a conclusion and a fact; and, second, there is the necessity of certainty as to the conclusion.

To the accountant, who prides himself upon precise statement, definition, and classification, the development of habits of exactitude is of prime importance. In preparing his reports, he must be able to distinguish between conclusions, opinions, and facts. Moreover, he must, in order to attain the ideal of his profession, be certain as respects his facts, and as respects his conclusions. This training may be attained by keen analysis of the situations which arise in the study of business law and of legal propositions.

Assets and Liabilities

“WHY is it that Capital is put on the right-hand side of the page and Assets on the left-hand side of the page. I should think that Capital should be on the same side of the page as Assets.” This statement was made by a lawyer, after visiting an accounting-class session. The difficulties that lawyers have with accounting are almost proverbial, and are analogous to the difficulties of understanding the principles encountered by beginning students.

One of the peculiar characteristics of the question asked is that the answer can be made almost entirely on a legal basis; for it is on the right-hand side of the Balance Sheet, or any statement of condition of a business, that legal rights are displayed.

The term “accounting” implies certain things to be accounted for, and certain individuals to whom the accountability is made. In every business, the individuals to whom there is to be an accounting classify either as creditors or as proprietors. The left-hand side of a statement of condition then consists of values; the right-hand side consists of items expressing the extent of the legal property rights, respectively, of creditors and of proprietors.

Furthermore, the classification into liabilities and into capital, prescribed in Accountancy, is identical with the classification into creditors and into proprietors, insisted upon by the courts. There have been times, to be sure, when attorneys have attempted to draft forms of so-called bonds which were a cross between the status of proprietorship and that of a creditor. Invariably the courts have decided these to create either the one relation or the other; that is, the document was either a form of preferred stock (despite the name of “bond” being used) or a bond in the event that the element of proprietorship is provided for in the paper, and was insufficient to give proprietorship rights. The writer has examined several of these at-

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tempted hybrids, but has found none that would not make the holder either a proprietor, as distinguished from a creditor, or a creditor, as distinguished from a proprietor.

Nor does the inclusion of reserves on the right-hand side of corporate Balance Sheets violate this fundamental distinction. Of course, I am not referring to so-called reserves, which are merely suspended credits to asset account classifications (such as the reserve for bad debts and reserves for depreciation). I am referring to reserves which are profits withheld from distribution among the stockholders. These represent a part of the surplus items, surplus in turn constituting a part of capital, and hence, a presentation of the legal rights of proprietors in the asset values.

In fact, even a most cursory study of a statement of condition must disclose the three fundamental branches of Accountancy. The stating of value amounts, as to assets, embraces the science of economics, in that the value of each asset depends upon the principles which underlie the measuring of the value of articles of wealth with a standard. Law, the second branch, distinctly defines the rights that persons have in the economic values held by the business. Accounting classifies and furnishes expedients for recording and presenting values and property rights in values. Thus it is that the three branches of Accountancy—economics, law, and accounting—find expression in statements of financial position.

Accordingly, if the student will regard the right-hand side of a Balance Sheet as expressing property rights in the economic values of the business, the reason for the stating of capital on the same side as liabilities will not only be apparent, but will also give an insight into important fundamentals of Accountancy.

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- | | |
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Send for descriptive folders.

Pace Institute

Hudson Terminal, 30 Church Street, New York



HIS Department does not publish answers to all of the questions received, but only to those which we deem to be of general interest to our readers. A communication, in order to receive attention, must contain the name and the address of the person asking the question.

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record of the gross business can only be obtained by analyzing the account. When the Trading-Account method is used, analysis of the business is maintained through the use of the separate accounts set up to record purchases and sales.

Q PLEASE explain to me when I should use a Merchandise Account, and when I should use a Trading Account. I can not seem to grasp the difference.

A In a small concern, it is often not essential that there shall be in readily available form an analysis of purchases and sales. Under these circumstances, purchases and sales are charged and credited during the year to one account—the Merchandise Account. At the end of the accounting period, the balance of the Merchandise Account will contain the element of inventory, and this inventory is removed from the account and transferred to a new Merchandise Account, leaving in the old Merchandise Account the gross profit.

On the other hand, if it is desired to maintain an analysis of purchases and sales by classifications, it is preferable not to merge purchases and sales in one account, but to maintain them in separate accounts during the year. Thus, there will be:

Purchases Account	A
“	B
Sales Account	A
“	B
Return Purchases Account	A
“	B
Return Sales Account	A
“	B

At the end of the year, in order to obtain the profit on merchandising transactions, it is necessary to bring the purchases and sales together in opposition. A Trading Account is set up, and the balances of the Purchases, Sales, Return Purchases, and Return Sales accounts are transferred to the Trading Account. The Trading Account then contains the same elements that we had in the previous case when the Merchandise Account was set up. The Trading Account, thereafter, is treated in the same way as the Merchandise Account is treated; that is, the inventory is removed to a new account and the Trading Account then records the profit.

When the Merchandise Account is used, a

I HAVE seen the following terms used at various times in connection with accounting statements:

Statement of Financial Condition.
Statement of Assets and Liabilities.
Balance Sheet.
Statement of Affairs.

Please tell me what the distinction is.

A The term “Statement of Financial Condition” is a general term embracing any statement purporting to represent the financial standing of an enterprise. The term “Statement of Assets and Liabilities” refers to a statement of financial condition, prepared on the basis of facts shown by inventory, and on the basis of any other information. It usually does not, however, refer to a statement prepared upon the basis of facts recorded in double-entry books. Double-entry books, if properly kept, will record all assets and liabilities. A statement of financial condition, prepared on the basis of facts recorded in such books, is known as a “Balance Sheet.” The Statement of Assets and Liabilities and the Balance Sheet are prepared, showing valuations on the basis of a going concern. A “Statement of Affairs,” as distinguished from a Statement of Assets and Liabilities, or a Balance Sheet, shows assets valued at what they would bring under conditions of forced sale. The Statement of Assets and Liabilities and the Balance Sheet are most often met with in ordinary accounting, while the Statement of Affairs is a statement prepared in connection with matters involving insolvency and bankruptcy proceedings.

Q OUR company has, during the last few years, shown on the books a Ledger account called “Special Reserve.” The minutes of the directors’ meeting, authorizing this account, state:

“This reserve shall be set up for the purposes and at the risk of the business.”

I do not grasp the significance of it, and am about to prepare a Balance Sheet. How should this account be shown?

A Apparently, the intent of the directors was to set aside a certain amount of the surplus to be used as working capital. The creation of this reserve is entirely a bookkeeping matter, and the reserved surplus is put in a separate account, so

Question
and
Answer
Depart-
ment
(continued)

that there shall be no possibility of its being included in that portion of the surplus available for dividends. At any time, the directors can authorize the transfer of this working capital reserve to the Surplus Account, and all or part could then be paid out as dividends.

In the preparation of a Balance Sheet, the reserve for working capital should be shown on the liability side. It is not, however, a liability. It may be shown as a separate item on the Balance Sheet under a caption, "Reserve," or it may be shown as a part of the surplus, as follows:

SURPLUS:

Reserved for working capital.... \$. . . .
Available and not reserved

Total Surplus \$. . . .

Q WHAT is the rule as to double punctuation marks? For instance, when one asks a question about a quoted phrase, is it correct to follow the quotation marks with a question mark?

A There is no rule in reference to the use of double punctuation marks, except that when they are needed they should be used. Perplexity in reference to this matter is most likely to arise in connection with the use of quotation marks. The following observations may help to clear up the confusion that often arises:

Use quotation marks before and after every direct quotation—words attributed to some one else than the person quoting; for example:

The manager shouted, "Make haste! We have no time to spare!"

"Make haste!" shouted the manager. "We have no time to spare!"

"Make haste! We have no time to spare!" shouted the manager.

"Why did you resign your position?" asked the secretary.

The secretary asked, "Why did you resign your position?"

Why did the secretary say, "I hear you have resigned your position"?

Use single quotation marks to indicate a quotation within a quotation; for example:

My brother said to me, "Please tell me who wrote, 'The proper study of mankind is man.'"

The speaker said, "Don't you enjoy Lincoln's Gettysburg speech beginning, 'Four score and seven years ago our fathers brought forth upon this continent a new nation conceived in liberty and dedicated to the proposition that all men are created equal'?"

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PLEASE tell me when to use a Voucher Register and when to use a Purchase Book. I understand the Voucher System of bookkeeping, but do not see why one is preferable.

A The voucher register is, in reality, a form of purchase book, and can often be used under circumstances which would permit the use of a purchase book. In many lines of business, however, it is necessary to keep account of the total volume of transactions with each creditor, for such reasons as obtaining favorable trade terms, and the like. Under circumstances such as these, it is necessary that a Creditors' Ledger be maintained. On the other hand, many businesses do not require that a record be kept of the past transactions with each creditor. The open items only are of interest. Under these circumstances, the voucher register is often resorted to.

In addition, if the conditions under which business is done require many adjustments, allowances, and the like, a voucher register will be found to be impracticable.

The distinction is not, primarily, between the books themselves, but rather it is between the methods of keeping the accounts with creditors, and the basic points have been mentioned.

WHAT is the correct pronunciation of the word "*gratis*"?

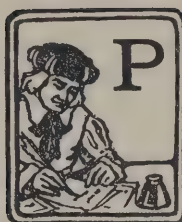
The word should be pronounced grā'tis.

IN estimating the value of accounts receivable, may any value be placed upon accounts receivable which are in the hands of an attorney for collection?

A Yes, it does not follow that no return will be received from such receivables. The estimate should be based upon experience in effecting collections in this manner.

WHAT are the proper classifications, in the Profit and Loss Statement of a manufacturing organization, of the items rent, taxes, and insurance?

A The proper allocation of expense items, in a statement of profit and loss, depends on the purpose for which the particular statement is desired. Ordinarily, expense classification serves chiefly to measure efficiency. From this point of view, it would be undesirable to include, as manufacturing costs, items which were not controlled by the factory. Hence, rent, taxes, and insurance are often classified under "Expense," rather than under "Cost of Goods Sold." If the statement is for fixing the selling price, it would be well to include them as "Factory Costs."



PUNCTUALITY is a rock in the foundation of personal efficiency. The

word is formidable; it has a sinister sound to the laggard. Punctuality is the attribute

which causes one to rise five minutes earlier in the morning to make up for possible delays in the subway. It causes one to work with efficiency and dispatch in order to attend a conference on time.

The prompt man is the man who produces a given piece of work within the allotted time; he is the man on whom dependence is placed. It is never his forgetfulness or laziness which causes the directors' meeting to be delayed, and the valuable time of his associates to be lost. His friends know they will not be required to miss the opening chorus of the most popular musical comedy while they wonder where he may be.

It is related of Washington that strict attention to his appointments assisted in his success. A story is told that he had negotiated to purchase a pair of horses, to be delivered at eight o'clock on a certain morning, at his home. The dealer arrived with the pair fifteen minutes after the hour. Washington had started on a surveying trip, and did not return until several days had elapsed.

The dealer's profit was lost because of his delay.

Failure of additional forces to arrive on time contributed largely to Napoleon's downfall at Waterloo. Failure to be up to the minute in the daily performance of one's ordinary duties assists in undermining personal efficiency and militates against advancement.

Be punctual, then, in all your engagements. It will create for you a reputation—a reputation for efficiency. What is more, it will actually make you more efficient. It is one of the attributes of success.

“**W**HETHER the company will now ‘throw the helve after the hatchet’ remains to be seen.” This sentence appeared in a recent editorial in a New York newspaper. It is quoted because of its happy use of a somewhat unfamiliar idiom, “throwing the helve after the

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hatchet,” and because of the opportunity the use of this idiom gives for a reflection or two on the study of idioms in general.

The denotation of the idiom, “throwing the helve after the hatchet,” is, of course, plain. Unless the hatchet or the axe-head is firmly attached to the helve, a lusty swing by the woodsman is likely to send the hatchet zipping off into the distance, while only the helve remains in his hand. Then if the woodsman hurls the helve after the hatchet, his action is simply an expression of petulance or anger—his judgment would tell him that he should keep the helve in his hand.

The foregoing being the literal meaning of “throwing the helve after the hatchet,” the imaginative application of this idiom—its con-

notation—to many kinds of ideas is clear. Its meaning, as applied to the company mentioned in the sentence quoted above, is that the company, now that it has tried but without success to achieve a certain purpose, perhaps intends recklessly to use the remainder of its resources to the same end.

Every thoughtful person realizes the desirability of increasing his usable stock of idioms—desirable turns of phrase peculiar to one's language. The use of idioms gives force, individuality, and spontaneity to expression. One effective way of accumulating idioms is for

us to read widely and intensively, noting an idiom here and an idiom there, and then using them in sentences of our own construction which reflect our mental interests. The gradual accretion of desirable phrases will give anybody's vocabulary strength and picturesqueness—*desiderata* that we cannot afford to overlook when so much of our success depends upon the way in which our speaking and writing impress our fellows.

“**T**HERE are two ways of quitting a job. One way is after you have made good at your work; the other way is when you are under fire and feel doubtful about your ability to deliver the goods. The fellow who follows the first method usually keeps on climbing, if not within the same organization, from organization to organization. The fellow who follows the second

Quitting a Job

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Throwing
the Helve
after the
Hatchet

method usually remains stationary for a time, and then begins to slip back, no matter where he is employed." These are the wise words of a big executive, who has had a wide experience in judging and selecting men.

There is an important thought here for ambitious young men and women to bear in mind. The point is not made, of course, that one should remain with the same organization all one's business career, though it might be remarked that in every kind of business concern there are more opportunities ahead for the young men and women that stick than they can first realize because of the feverish impatience of youth. Emphasis, however, is laid upon the necessity of so intelligently finishing a given set of duties that there need be no hesitancy in referring future employers to past employers. This is the way in which a reputation for efficiency and capability is built up, and this sort of reputation is the best guarantee that anybody can have of the eventual attainment of business or professional success.

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and means of winning preferment in business. This young man (I have known him well for five years) some three years ago entered the employ of a small but growing concern as head bookkeeper. He did his work well—he had sense enough to do that. But, in his ambition to further his own interests, he went out of his way to show his enthusiastic agreement with everything that the president and the treasurer of the concern said or did. They came to like him very much, and in many ways they showed that they liked him. He considered his future secure.

Imagine his surprise at being informed the other day that another member of the bookkeeping staff (one who had been with the concern only a year) had been appointed auditor over his head; and this was the position which he knew would eventually be created, and which he would, as he supposed, be selected to fill. My truckling young friend, thoroughly aroused, asked the president and the treasurer why he had been passed by. The answer was: "You're a good bookkeeper and a mighty agreeable young man, but you never seem to have any opinions of your own. Your custom is to find out what we think and then to echo our opinions. We don't want that kind of auditor. We want a man who knows what should be done, and who will try to bring us to his way of thinking if we disagree with him. Echoes don't make good executives."

Well, it is true, isn't it? There's no sense in mincing matters. Being agreeable and tactful is one thing, but being so agreeable and tactful that you never seem to have a mind of your own is quite another thing. The surest way of compelling recognition and advancement is to develop ideas of your own, and to defend those ideas till common sense and new data require that you modify them. Anyway, don't bootlick, for bootlicking never has paid and never will pay!

Worrying "MOST folks worry about the things that don't happen," said an old friend of mine who dropped in for a minute's chat, recently. This friend is now forty-seven years old; he has hoed a hard row, combating sickness and debt and business reverses; and he is on anything but easy terms with life to-day. Yet he smiles and laughs and makes folks glad of his presence. "Don't worry," he says; "do the best you can, and things will eventually turn out all right." Here we have a philosophy that will carry us over many a hard spot—let's appropriate a little of it for personal application.

Chopping and Chips "A TREE-CHOPPER," say lumbermen, "is known by his chips." The meaning is plain—part of it, anyway. The tree-chopper who knows his business hews out chips that are neatly cut; chips that are of just the right size, considering the size of the tree; chips that fly without waste of effort or misdirection of aim. The man that shows skill and efficiency with an axe can find a job wherever trees are being felled and sawed into lumber. Every lumber-camp boss welcomes him with an open purse.

And every worker is known by his chips—by his acts, conscious and unconscious, that reveal his familiarity with his work, his interest in it, his effectiveness in finishing it. All this is true of the stenographer that you want to keep and advance; of the clerk that uses his head in carrying out directions; of the executive that works without the need of constant supervision. The point that applies to most of us, no matter what we do, is clear enough—let us show that we know how to chop down our commercial trees (perform our daily work, of course) without friction, without waste of aim or time, without inefficiency of any kind. Then we need have no fear of what our chips tell as to the quality of our workmanship.

Bootlicking **DON'T** bootlick! The experience of a young man who has just left my office suggests this example of the imperative mode; and his experience, I make no doubt, has a broader bearing than at first seems the case upon the ways

ONE desirable trait of an executive is accuracy in estimating work that is to be done. The question may be as to the time required for a number of men to complete a prescribed operation. Or the problem may be the number of men required to complete the operation within a prescribed time. Again, neither time nor numbers may be so important as having the operation completed with the utmost of economy. Any one of these objectives presents problems which test the skill of the executive.

Dangerous it is to attempt to solve these problems by simple multiplication. Such a method is reminiscent of one of the fallacies with which our teachers tormented us in school-boy days. This fallacy ran something to the effect that if it takes five men thirty days to build a barn, one hundred and fifty men could complete it in one day. Obvious as this fallacy is, when stated in this manner, yet time after time the deception it implies catches the unwary. Let it be found, say, that a man can complete so many units an hour. On this basis, it may be presumed that fifty men can complete fifty times the amount in an hour. Sometimes, the estimate proves reasonably correct; as often as not, the results do not conform to the estimate.

Ignore, for the moment, the question of economy of operation. You have, then, the measuring of labor and of time. Time may be the more vital, and with an unlimited supply of labor, the utmost speed of operation is desired. On the contrary, the available labor may be limited, and the time must be estimated on this basis. In either instance, the problem may reach beyond mere multiplicative processes, and out into questions of physical and organization limitations of no mean importance.

The barn illustration showed that units of time and units of men are not interchangeable, but that physical, as well as organization, factors must be considered. Unduly increase the number of men within a given space, and they will simply get into one another's way. Assuming you can enlarge the space to avoid this situation, then distance itself would consume either time as to a prescribed amount of labor, or additional labor as to a prescribed length of time. Other things being equal, the scattering of men beyond certain limitations decreases the productivity of each man, so that either more men must be utilized or a longer time must be expended than would be determined by mere multiplication.

Turning to the organization problems, one factor to be considered is the practicability of effecting the distribution of labor. Yet even

assuming that it is practicable to distribute labor, it does not always follow that by a mere process of multiplication a reliable estimate

can be made. Several other factors are involved, some of which will now be considered.

The first of these is that, if there is a distribution, an element of slack may enter in. Slack is more readily controlled in the case of a small number of parts than in the case of a large number. The greater the extensiveness of the division into parts, the more must be allowed for the element of slack.

This same element of slack increases as the parts vary in character. Seldom if ever is labor interchangeable as to varying parts. When it is interchangeable, it is usually found that there the same productiveness is not realized as in the case where identical processes are performed by each group as to the entire operation.

Again, there is the labor of effecting the distribution. This is necessary equitably to assign the portions, and at times to measure the portions assigned.

The doing of one operation, moreover, may be contingent upon the doing of another operation. Under these circumstances, the laborers in one group are dependent upon the productivity of the laborers in another group. It is hardly conceivable that the production of the first group of laborers will be always equal to what the second group is ready to absorb. In some cases it will be more; in other cases it will be less. The more finely the work is apportioned, the more certain will be the coördinating of the several groups engaged in the various processes or operations. Practical difficulties may attend the achieving of this coördination.

Again, the question of supervising necessitates attention. The greater the number of groups, all things being equal, the greater the extent of supervision.

Nor must the labor connected with the assembly of parts be overlooked. Each of these parts must be fitted, ordinarily, into an entirety. To accomplish this result, there must be some definite plan of collection. Mind you, the question is not one of whether a division of labor is or is not economical. Our only consideration is certain factors which must be taken into account in making estimates under the conditions permitting, and under the limitations imposed upon, a division of labor.

As an illustration of some of these factors, the very simple operation of sorting or classifying may be considered. Assume that the sorting or classifying is done according to letters of the alphabet. The classifications may be compara-

tively few, say twenty, or may run into several thousand subdivisions of the alphabet. The number of pieces classified may be either very small, say two hundred, or may be very large, say two hundred thousand.

It can not be assumed that, because one person takes one hour to classify the two hundred parts as to twenty classifications, a mere multiplication on this basis will give a fair estimate of how many hours it will take a certain additional force to do the larger number.

It must be assumed that the pieces are absolutely out of arrangement. Immediately there is the necessity of rearranging them into parts for the number of individuals to operate, say twenty. Each of these parts must be coördinated with the other part. First, there must be a certain amount of effort in effecting the division; second, the apportionment can hardly be made exactly equal, because the number of names beginning with given letters is more or less a matter of estimate, and, with several persons operating, there is bound to be slack as to some part of the distributed material; third, there is certain labor connected with assembling; and last, the supervision must be greater, all things being considered.

As a practical matter, one person sorting the two hundred pieces into the twenty classifications will probably do the work in one sorting. As to the sorting of two hundred thousand pieces into two thousand classifications, several sortings will be necessary—ordinarily, at least five, which means that each piece is handled five times, as against one time when the one person is sorting. The work increases greatly out of proportion to the exact increase in either the number of parts or the number of classifications, or both.

If economy of operation is the dominant consideration, or is to be considered coincidentally with the amount of labor or length of time, then other important factors enter in. As to speed of operation, the greater the speed, presumably, the less the overhead charge for each unit produced. From this fact, it does not follow that speed is economical. For example, if an ocean steamer reaches its destination two days earlier than usual, certain savings are effected in charges as to the two days. Assuming, however, that abnormal speed was required to effect this result, the cost of the coal consumed would be much greater than the other economies effected. From this illustration, it is apparent that there is a point at which speed reduces economy, just as there is a point at which speed may effect economy. Persons skilled in navigation, as to a

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given trip, can readily estimate the amount of speed which is consistent with the greatest economy of operation.

It is impossible to go into all of the phases of this problem as related to machinery. Nevertheless, the motorist is well aware that the depreciation on his machine increases in proportion to the speed exacted of the machine. For example, a car which has been run at a normal speed, other things being equal, has a longer life in terms of mileage than one run at abnormal speeds.

This same principle applies to our barn. If an unusual length of time is taken to complete the barn, then the investment is tied up and overhead charges increase. If great speed is desired in effecting the completion, then the costs as to labor, and even as to material, increase out of proportion to the other savings that might possibly be effected. Accordingly, there is a mean, measured in terms of capital, effort, and time, which determines economy of operation.

The principle has wide variations, as will be noted from the varied character of the illustrations. In an article of this scope, it is impossible to cover every factor that may enter into the calculations. For the most part, the above will be found to be the principal factors. These cover the more common operations met with in the day-by-day experiences of the modern executive. Simple though they may be, they conclusively demonstrate the danger of relying upon ordinary multiplicative processes in estimating labor on a prescribed time basis, in estimating time on a prescribed labor basis, or in estimating economic operation.

SOME people say that we are as little prepared for peace as we were for war. Steps taken to effect the readjustments necessary with the coming of peace have created criticisms. Some of these criticisms seemingly assume that readjustments are possible without industrial disturbances. This is out of the question; we must expect some disturbances. Beyond doubt, in a short time, these disturbances will be over. Then we shall build upon the economic foundations laid during the war for a period of industrial expansion. Our immediate problem, then, is to effect the readjustment with the minimum of disturbance. Our ultimate problem is to utilize to the utmost the exceptional opportunities which the economic exigencies of the war have opened up to us.

Reassuring, indeed, is the prospect for making the change-over with but little industrial

*Industrial
Readjustment*

depression. Business men of prominence, who have come to Washington as members of war boards, are cheerfully continuing their duties in Washington, because of this very need for scientific readjustment. These men are familiar with all the phases of industrial readjustment. With remarkable success they achieved the shift of our industries from a peace basis to a war basis. Accordingly, we may with confidence expect these men to display the same competence in putting us back upon a peace basis again.

Time they had, to be sure, in making the shift to a war basis. It must be remembered, nevertheless, that there will be time to make the shift to a peace basis. Even a cursory study of conditions convinces the student that there will be a run-over in many of our war activities. Some must be stopped almost immediately; yet for the most part, it will be found that the others which continue will afford the needed time essential to gradual readjustment.

The problem centers around labor, materials, and capital. Those interested in the labor side naturally desire war activities continued so long as is possible. Those interested in manufacture for civil needs desire these activities stopped, in order that raw materials may be available for their plants. Antagonistic though these two camps may seem, their interests are interdependent; for, if large bodies of labor be thrown out of employment, where will the market be for the finished product of the raw materials released? All in all, the consensus of expert opinion is that the change must be made in careful gradations.

At this time, members of the War Industries Board are carefully canceling contracts on the basis of geographic location. Contracts are not canceled in any one place by wholesale. On the other hand, the cancellations are scattered. The idea is to prevent a large number of laborers situated in one place from being suddenly thrown out of employment.

Governmental labor exchanges are assisting in this readjustment. These labor exchanges operate on much the same principle as the Federal Reserve system. Just as that system pools credit, so these labor exchanges pool labor. Laborers are gathered from the districts where they are least needed and sent to the districts where they are most needed. Through scientific clearances, it is expected that the interests of labor will be conserved.

Criticism is to be expected, because of the conflicting surface conditions. To say that we are entirely unprepared for peace is hardly fair

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to the men who are sacrificing income for patriotic service. Differences of opinion must arise as to the methods of effecting the re-

adjustment. But when all is said and done, it will probably be found that creditable and scientific efforts have been made by the business men now in Government service to meet the trying problems of this most unusual situation.

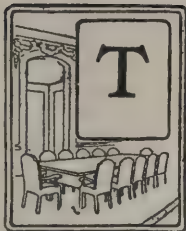
ONE thing that the efficiency expert may often overlook is that in the very simplicity of an operation, the greatest economy may be effected. Often, on its face, one procedure may appear to be more economical than another procedure. The apparently economical procedure may, however, be the more involved procedure. Distinctive advantages attend simplicity of operation. A clean, continuous operation, even though it absorbs more material, and seemingly requires more labor, may, in the end, be the more economical. The reason for this is that the more complicated the procedure the greater the liability toward error, and the greater the necessity for supervision. Errors which will creep in often prove, in the long run, to be more expensive than the labor that was seemingly saved by the involved procedure. Certain it is that human frailties bear a very important relation to the question of office and factory procedure. Too much must not be looked for in the way of exact work. On the whole, it will be found that unless a very material saving is effected by the more complicated procedure, the simpler procedure is the more economical.

THEY furnish the "know how"—this is one reason why those men and women you call "lucky" have got ahead, Mr. Grumbler. True, they may not work as long hours—and they probably don't—or load their minds with as much detail as do those friends of yours that think they aren't getting a square deal in respect to income. But the "know how" folks are the ones that carry responsibility, make decisions, and chart the course of the organization, and keep it on that course. Doing these and similar things, they have a market value and can command high salaries. After all, whether you eventually become one of these "know how" men and women largely depends upon you, doesn't it?

Should the payee of a check lose the check, it is not sufficient protection to stop payment. A bond of indemnity should be secured from the payee before issuing another check. This applies to other lost documents. For instance, the secretary of a corporation should require a bond before issuing a new stock certificate in place of one that is lost.

*Economy
in
Simplicity*

*Knowing
How*



HE day of the overenthusiastic sales letter is past, or nearly past. Not very long ago, many sales and promotion managers seemed to think that sales letters

which contained many capital letters and exclamation points, and which were breezily and even slangily familiar in tone, were the most productive kind of letters that could be written. Enthusiasm, more enthusiasm, and still more enthusiasm ("pep," it was called)—this was the slogan that writers of sales letters were expected to bear in mind whenever they put pen to paper. It was felt that this was the proper way to arouse, and appeal to, human interest.

Then the results of letters of this hectic and lurid kind were checked up, and they were disappointing. In the angler's phrase, these screeds got very few "rises," considering the number mailed. Several interesting conclusions were finally arrived at: First, dignity and conservatism of tone and statement sell more goods than do overstatement and buncombe, or what seems to the reader to be buncombe, which is the same thing; second, the great majority of folks object to a familiar clap-on-the-back upon first acquaintance, even in a letter; third, human interest has about as close a relation to the workings of the mind as it has to the promptings of the heart.

All of the above is another way of saying that a sales letter, no matter what kind of audience we are trying to reach, should be simple and straightforward in style, sincere in tone, and interesting to the reader, because of its connection with his needs or desires.

The following letter, which is typical of many letters that have clogged the mails during the past few years, clearly illustrates what is meant by overdoing enthusiasm or "pep":

"Our big, Bristling Clearance Sale Does turn loose with all its fury on July 20th!

"Listen! Listen! LISTEN!!! It's a real, rare chance for you to get your favorite quality and style of suit at A BIG SLICE OFF THE REGULAR PRICE!

"You know Johnson's merchandise and methods. He has always respected the confidence of Noise-

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ville folks. So this sale is A REAL SALE OF REGULAR GOODS—not a fix-up affair. I've just \$2,500 in Elegant Men's suits that WILL, SHALL, AND MUST BE SOLD! Sorry I've got to sacrifice them in one way, and in ANOTHER way I'm GLAD. Every one that goes out at an extra-low price is A LASTING ADVERTISEMENT! So, come quickly and be fitted AT A SAVING YOU WON'T FORGET, IN A SUIT YOU'LL REMEMBER US BY!

"A Fine Fit is a Faultless Fit. In Fact, it's a Fit or you don't Fork Over!"—Example of a poor letter quoted in L. A. McQueen's "Business Building Letters."

The following letters (both tried out and found highly productive) illustrate the degree of human interest and the restrained sincerity of tone which are most likely to make a favorable impression upon the mind of the reader:

"Your collection of paintings is known to be one of the finest in the country. It is a collection worthy of being catalogued in such a way that others may enjoy the paintings and know more about them than they do.

"We can do this work for you, and without the slightest inconvenience to you. The paintings need not leave your gallery.

"On the illustrations we retain all the beauty and the feeling which the artist wished to convey. The descriptions are written by an expert. The paper and the bindings are the best that can be procured.

"We have made de luxe catalogues for many of the prominent collectors, and we should take pride in adding your name to our list of satisfied patrons.

"If you will appoint a time, we shall be pleased to have our representative call on you to show you specimens of our work."

"If I came to you—sat across from you at your desk—and said that I could tell you how to get more business for less money than it costs you now, or if I said that I could show you how to save twenty-five to seventy-five cents out of every dollar you spend for printing, you would not let me get away before you had this information.

"Now I can't come to you in per-

son, but I have come to you by mail—twice—and made identically this offer. I have told you that for the mere asking you could have this valuable information, and that all that was required to get it was the return of a card; and I enclosed the card.

"So I am writing you now, in order that again, even in the press of your many activities, you may have still another opportunity to get these remarkable data, made up for you in a special portfolio, and sent free, without any obligation.

"This time I am sure you will fill out the enclosed card and return it immediately, just as you would gladly listen to the vital facts, figures, and suggestions I have gathered, if I could call and present them to you personally."—L. A. McQueen.

The conclusion of the matter is plain. In our sales letters let us have human interest, of course. Let us lay stress on the "you" viewpoint. Let us constantly think of what we would be interested in if we were the reader, and frame our letters accordingly. If we will do these and similar things, our own innate sense of the proprieties of business intercourse will keep us from "overdoing the pep."

J. C. BRYANT, a graduate of the Pace Institute of Accountancy and of the Los Angeles School of Commerce and Finance, recently died from Spanish influenza and pneumonia.

Mr. Bryant held a teacher's certificate from the Zanerian College, of Columbus, Ohio, and for a time was the principal of the Commercial Department of the School of Commerce and Finance, of Los Angeles. Later, he became a senior accountant on the Los Angeles staff of Haskins & Sells.

When Mr. Bryant became associated with the Mushet Audit Company, he won the high regard of all his associates wherever he was employed because of his keen mentality and his unimpeachable integrity. His business future was exceptionally bright. His untimely death is therefore a source of great sorrow to all who knew him.

LOUIS KURZMAN, a graduate of Pace Institute, New York, in 1917, has been appointed senior accountant in the Bureau of Aircraft Promotion, Finance Division, Appropriations Department, War Department, Washington.

Self-confidence **S**ELF-CONFIDENCE is necessary for progress in the business life of to-day. In the attempt to develop self-confidence, can anything be more effective than training in speech? Its application is universal. We are all speakers. Whatever our work, we have to express ourselves to others. We may sell goods, persuade clients, or demonstrate the merit of our wares. The better we express ourselves, the better off we shall be.

Then, again, the interest in public speaking is very general. A leading newspaper, for instance, printed lately an editorial on effective speaking. A well-known magazine, also, published in the current issue the story of a man who developed self-confidence through training in public speaking. He triumphed over fears that cost him ten thousand dollars a year. Classes in public speaking are to be found throughout the country in schools and colleges. The problem of all is to establish confidence and to banish fear.

This fear is easily recognized and is usually felt by beginners in public speaking. Did your knees ever shake? Has your throat ever become dry? Has your tongue ever become paralyzed? Has your mind ever gone blank?—it was all caused by fear—fear of failure!

To illustrate, at a recent session of the class in public speaking, at Pace Institute, the instructor received reports from the students describing their fears. They were as follows:

1. Fear that the right words will not come.
2. Fear of being misunderstood.
3. Fear of forgetting.
4. Fear that opinions may seem trivial.
5. Fear of appearing ridiculous.
6. Fear of lack of interest on the part of the listeners.
7. Lack of confidence, and inability to concentrate when facing an audience.

The last report states concisely the whole platform of fear. Fear is really the lack of confidence and the inability to concentrate when one faces an audience.

There is a remedy for this fear: practice—practice in actually speaking before an audience, and in being compelled to think on your feet. The practice, though, must be based upon absorbing interest in the subject of the speech, and upon consideration of the subject in its relation to the general ends of speaking.

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Too many speakers develop a subject in accordance with their own views. They mention only the points that appeal to them. The result is indefiniteness. This causes lack of comprehension in the minds of the listeners, who soon lose interest and become inattentive. The speaker loses whatever relation he may have established with his audience. He is indefinite, because he has failed to determine the general end of his speech.

There are five general ends of speech which Mr. Phillips explains in his book, "Effective Speaking," somewhat as follows: "The speaker wishes the listener to see—Clearness; or to feel—Impressiveness; or to accept—Belief; or to do—Action; or to enjoy—Entertainment." Whatever the topic, the end in view will always be found under one of these heads, or under a combination of them.

The fisherman wants to know what kind of fish he is to catch before he decides upon the tackle. He can not use the trawl for swordfish—he must change the gear to rope and spear. The painter must select his subject and decide upon its treatment before he can choose the colors. Just so the speaker must consider the nature of his task before he can select his material.

The audience in almost all cases will govern the end. If, for instance, you were to address an audience of adults on "A World Safe for Democracy," you would not aim for Clearness as a general end. This audience would already know about the subject and believe in it. Your aim would be, rather, to impress them with the importance and greatness of the subject. The end would be—Impression. To a class of children, this same subject would have to be explained, and the end would be—Clearness. Opponents of the idea, you would try to persuade to your way of thinking, and the end would be—Belief.

After determining the general end of the speech, you must apply the principle that governs the attainment of the end. You must bring before your mental eye your particular audience. You must weigh their familiarity or unfamiliarity with your topic. You must understand the probable attitude of the audience toward your subject.

A concrete method of attaining

the general end is to keep in mind the point of view of the audience. Phillips calls this the "Principle of Reference to Experience," and makes it the basis of the objective treatment of ideas. Those experiences which have happened through our own senses are clear, because we have seen, heard, read, felt, or done the things that are alluded to. There are other things which we accept through second-hand knowledge. Alexander the Great, Napoleon, and George Washington we know through history, and, though the experience may be called indirect, we understand every reference to them. The real value of keeping in mind the view-point of the audience lies in the fact that this process of conveying thought becomes objective.

The speaker, of course, has to develop the idea in his mind, must analyze and test it. To this extent, the treatment is subjective; but the expression of the thought to the listener becomes objective. A speaker must be objective in order to produce effective impression. He must know human experiences, and must acquire a stock of vivid, general experiences; these must be characterized by intensity, frequency, recollection, and recency.

To illustrate, the premature celebration of peace on November seventh will always be vivid, because it was intense. The word "friend" is vivid, because it is associated with our daily life for years. Many a story becomes vivid, because of the many times it has been retold. Bolshevism in Germany is most vivid, because it is most recent.

Out of the general experiences, the speaker will try to know the experiences peculiar to his audience. Orators like Clay, Webster, and Phillips Brooks, were men of universal sympathy. Knowing humanity, they lived, in imagination, the lives of their listeners. They learned to know what appealed to the heart, and what appealed to the many, as contrasted with what appealed to the few. Knowing this, at moments they became sublime. Shakespeare and Dante are world figures for all time, because they appealed to human experiences essentially alike throughout the ages.

The speaker must, indeed, be objective. He must also be absorbed with interest, for the time being, in his particular subject. His first thought, as he faces his audience, must be to establish the proper relation between himself and his listeners. Many times the particular

twist of affairs can not be anticipated, and a speaker has to rely on his wits.

The following instance will illustrate this point: A popular lecturer had to make two addresses on the same evening. At seven o'clock he was to speak to the members of a labor union, and at nine o'clock he was to address a literary club. In order to dress for both engagements, he wore evening clothes as a matter of convention and thought nothing of it. His appearance before the labor unionists met with instant cat-calls, jeers, and shouts of "Take it off! Take it off! No glad rags that we can't wear." A bright thought flashed into the speaker's mind. With a commanding gesture he obtained comparative quiet and retorted, "I beg your pardon, men; when I dressed tonight I thought that the best in my wardrobe was none too good for you." The crowd's temper changed at once, and the speaker went on with his address.

A man who knows his subject, and who is absorbed with interest in it, as he develops his speech has no thought of fear. He forgets himself; never thinks of failure; his words and ideas come quickly. His spirit grows in intensity, and the power becomes his to sway his audience however he wills. But he must be absorbed in his work.

The pumps on an ocean freighter recently homeward bound all at once refused to work. A storm raged and the sea was mountains high. The ship listed to an angle of forty-five degrees. One more degree meant capsizing. The men in the engine room stood knee-deep in the rising water. Every man on board, sailor and officer alike, formed in a line and passed buckets from the engine-room to the deck. It was the only way they could bail the ship. Death was imminent every instant. Yet for nine hours and in face of all obstacles the engineers worked on repairs. Later, in port, when asked if they were afraid, they replied, "We had to work! There was no time to be afraid."

Just so with the speaker. His preparation, knowledge, and absorbing interest will help him to develop his subject, master himself, and conquer his audience. Self-consciousness becomes lost in self-control, and fear is replaced by self-confidence. Practice before an audience, preparation of the topic from the objective view-point, and an absorbing interest in the subject, are the remedy for fear. Thus we

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see fear banished and self-confidence established through training in public speaking.

SOMETIMES a man does not discover the advantages of a business education until he is well on in years. It is then that the experience which he has gathered forces him to the conclusion that training in business principles is a vital element in business success. Such a story is told in the following extract from a letter received by Pace & Pace not long since:

"I am past fifty years old, in good health, and not afraid of hard work. I have had thirty years' business experience in general merchandise and handling of grain in a country town. I began life with no capital to help me, and was reasonably successful, gaining a footing in the world.

"A few years ago I entered a partnership that was my final undoing. I have no steady work. I wonder if it would be possible for you to recommend me to a good firm where I can earn a living, and pay my tuition for your course in Accountancy."

Perhaps our readers will be interested in reading an extract from the reply to this letter.

"Your experience, I judge from your letter, is the valuable one obtained in general business in a country town. You cannot reasonably hope to adjust yourself easily or profitably to living and employment conditions in a large city. Your best field will necessarily be in the environment with which you are familiar. In any event, my judgment is that you should not attempt to seek employment in the larger centers of population, such as Chicago, Detroit, or Cleveland. Work in a manufacturing or trading concern, keeping time and supervising stock or stores, or something of that semi-clerical nature, would probably give you the best opportunity. Work of this kind requires a considerable amount of maturity, and it would be of such a nature that it would aid you in making a study of Accountancy.

"First of all, therefore, I suggest that you endeavor to obtain work of the nature outlined. We can not be of much assistance to you, because employment is dependent upon personal interviews, and our field of operations is almost exclu-

sively in the larger Eastern cities, where we can arrange for personal interviews. Much as I should like to be of definite assistance to you, I am afraid it will not be practicable.

"If you secure suitable employment, the next move will be to enter upon the study of Accountancy. As you progress, you will improve your ability in the position you fill, and qualify yourself to take a position as office manager or controller of a firm or corporation.

"Your problem is not an easy one; but the solution will come in these days of shortage of manpower, provided you proceed on the right theory. Seek a position measurably within your abilities, in the environment in which you can have the benefit of your past experience, and hammer at the proposition until you get what you need."

W. HENRY HIRSCHMANN, formerly of the Pace executive staff, now second lieutenant in the 74th Artillery, recently arrived in France for military duty. Lieut. Hirschmann, as a result of the extremely creditable record that he made in his studies after joining the army, was assigned to the artillery, a branch of the service which it is difficult to enter because of the high standard of admission.

WILLIAM BUCK, of Pace Institute, has accepted a position with the Employers' Mutual Insurance Company, of New York. Mr. Buck was formerly with the G. M. Hopkins Company, surveyors and publishers, in Philadelphia.

F. W. GURNEE, who was connected with the New York Post-office for several years, has accepted a position as bookkeeper with A. L. Bruneau, C.P.A. Mr. Gurnee is now in Semester B of the Pace Accounting Course.

GEORGE HEU, a student at Pace Institute, has severed his connection with the United States Food Administration, and accepted a position as cost accountant with the Long Handkerchief Company, of New York City.

MISS MARION LEHMAN, who was doing accounting work with E. R. Squibb & Sons, has accepted a position as bookkeeper with the Hellenic Chemical Company. Miss Lehman is in Semester D of the Pace Accounting Course.

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